

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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March 9, 2010

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SACHI A. HAMAI
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**RECOMMENDATION TO RENEW AGREEMENT FOR INTERIM ASSISTANCE
REIMBURSEMENT WITH THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

The Department of Public Social Services (DPSS) and the Department of Mental Health (DMH) continue to require the Interim Assistance Reimbursement (IAR) Agreement with the California Department of Social Services (CDSS), which authorizes the County to continue to operate the IAR program. The period of the new agreement (Attachment) shall be from July 1, 2008 through June 30, 2013. CDSS had not required renewal of this agreement since June 1990, and sent the new agreement to DPSS in July 2009 without prior notice.

Although the effective date of the new agreement is July 2008, CDSS mailed DPSS the final version of the agreement in July 2009. Clarification needed from the CDSS on some clauses of the new agreement and the internal and inter-departmental clearance process delayed its submission to your Board.

**JOINT RECOMMENDATION WITH THE DEPARTMENT OF MENTAL HEALTH THAT
YOUR BOARD:**

1. Approve and instruct the Chair to sign the Agreement with CDSS. This Agreement permits reimbursement for county-funded interim assistance issued to General Relief (GR) participants and DMH clients while their Supplemental Security Income (SSI) application is pending.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to replace the existing IAR Agreement with CDSS with a new Agreement. The period of the new agreement shall be from July 1, 2008 through June 30, 2013, and will be automatically renewed for successive periods of five years thereafter (commencing on July 1st of each such year), unless the State or County gives written notice not to renew at least 30 days prior to the end of the current period. CDSS drafted the agreement as a result of regulation and policy changes by the Secretary of the Department of Health and Human Services. The new Agreement updates the language in the former agreement to make it consistent with the IAR practices that have been used for the past years. Agreement 08-6066 CDSS/The County of Los Angeles has been reviewed and approved by the Chief Executive Office and County Counsel.

Although the effective date of the new agreement is July 2008, CDSS mailed DPSS the final version of the agreement in July 2009. As CDSS had not required renewal of this agreement since June 1990, we were not expecting it. Furthermore, clarification from the CDSS on some clauses of the new agreement and the internal and inter-departmental clearance process delayed its submission to your Board.

The delay will not hinder the County's ability to collect IAR during the period prior to the execution of this agreement. Additionally, Article X, Section A., of the current IAR Agreement 61956, stipulates "The period of this Agreement shall be from July 1, 1980 through June 30, 1990. This Agreement shall automatically be renewed for successive periods of one year thereafter (commencing on July 1 of each year) unless the State or the Interim Assistance Agency gives written notice to renew at least thirty days before the end of the current period." The State has not given the County notification that the current Agreement is cancelled.

At the time an individual applies for benefits with DPSS and/or assistance with DMH, he/she signs an Interim Assistance Agreement SSP 14 form. By signing this form, the recipient of the cash benefits and/or Board and Care housing authorizes the County to withhold retroactive SSI payments due to him/her at the time the first SSI payment is made. The withheld SSI payment amount is used to reimburse the County for interim assistance given to the individual while his/her SSI application was pending. This interim assistance may include cash benefits, hotel vouchers, rental subsidies and/or transportation issued through the DPSS' GR Program, and Board and Care housing through DMH's Full Service Partnership – Interim Fund (FSP-IF).

The average interim assistance recouped by DPSS in the past five years has been over \$10,000,000 annually. During the same period of time, DMH has recouped an annual average of \$100,000. This revenue will increase as a result of the GR Restructuring, and the increased revenue will be an ongoing source of funding for the program.

Implementation of Strategic Plan Goals

This recommendation is consistent with the principles of the County-wide Strategic Plan Goal #1 and Goal #4.

Goal #1, Operational Effectiveness: Maximize the effectiveness of the County's processes, structure, and operations to support timely delivery of customer-oriented and efficient public services. Through approval of the IAR Agreement, DPSS and DMH will continue recoupment of interim assistance provided to participants. This interim assistance is an important component of our customer-oriented and efficient services intended to increase effectiveness of the County's operations.

Goal #4, Health and Mental Health: Improve health and mental health outcomes and efficient use of scarce resources, by promoting proven service models and prevention principles that are population-based, client-centered and family-focused. Approval of the IAR Agreement will continue revenue to the County, which allows for more mental health outcomes and additional availability of DMH services to participants.

FISCAL IMPACT/FINANCING

There will be no negative impact on the County's General Fund. On the contrary, the County will continue to benefit from the over \$10,100,000 annual reimbursement for county-funded interim assistance issued to participants while their SSI application is processed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The enactment of IAR in August 1974, Public Law 93-368 and subsequent amendments, and Section 10553 of the California Welfare and Institutions Code permit States and counties to recover from a person's initial SSI/State Supplemental Program (SSP) check any County or State funds expended for aid during the time the SSI/SSP application was pending.

DPSS and DMH receive reimbursement for interim assistance provided through the GR Program or the FSP-IF respectively.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

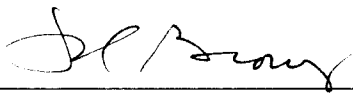
This action does not have an impact on current services. The approval of this Agreement will allow the County to continue obtaining reimbursement for County-funded Interim Assistance issued to DPSS GR participants and DMH clients in Board and Care facilities, while their SSI application is pending.

The Honorable Board of Supervisors
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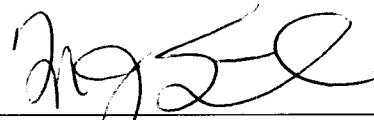
CONCLUSION

The Executive Office, Board of Supervisors, is requested to return one (1) adopted stamped Board Letter and four (4) original signed copies of the agreement to DPSS.

Respectfully submitted,



Philip L. Browning
Director



Marvin J. Southard, D. S. W.
Director, Department of Mental Health

PLB:MS:ct

Attachment

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller

**SUPPLEMENTAL SECURITY INCOME FOR THE
AGED, BLIND, AND DISABLED**

**Agreement for Reimbursement to California's Interim Assistance Agencies
for Interim Assistance Payments
Pursuant to Section 1631(g)
of the Social Security Act**

Between

The California Department of Social Services

and

The County of

Los Angeles

The California Department of Social Services, hereinafter referred to as "the State" and the County of Los Angeles, on behalf of a County agency, hereinafter referred to as the "IA (Interim Assistance) agency" which is providing interim assistance to individuals for the purpose of ensuring the availability of assistance to meet basic needs of applicants for benefits under the Supplemental Security Income (SSI) program, Title XVI of the Social Security Act, hereby agree to enter into this Agreement to replace Agreement #19004, dated July 1, 1989

This Agreement is entered into in accordance with the Agreement between the State and the Commissioner of the Social Security Administration, hereinafter referred to as the "Commissioner", to implement the provisions of U.S. Public Law 93-368, and subsequent amendments, and Section 10553 of California Welfare and Institutions Code, for the purpose of assuring the availability of reimbursement by the Commissioner to the IA agency for interim assistance paid.

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ARTICLE I

SCOPE

This Agreement covers reimbursement by the Commissioner to the Interim Assistance (IA) agency for assistance furnished by the IA agency to individuals during (a.) the months their Supplemental Security Income (SSI)/State Supplementary Payment (SSP) applications are pending and (b.) during the months their SSI/SSP benefits have been suspended or terminated, if said individuals are subsequently found to be eligible for SSI/SSP payment of benefits for those months. However, an IA agency may be reimbursed only for months in which the Commissioner determines an SSI/SSP benefit is due an individual pursuant to (United States Code) 42 USC 1383 (g) (2) and was paid an interim assistance (IA) dollar amount payment pursuant to 42 USC 1383 (g) (3) (A) and (B).

ARTICLE II

DEFINITIONS

For purposes of this Agreement:

- A.** The term "Commissioner" means the Commissioner of the Social Security Administration (SSA) or his/her delegate.
- B.** The term "State" means the California Department of Social Services.

For purposes *other* than this agreement, (example: IA authorizations, IA payment documents from SSA, notices from SSA) the term "State" means an entity that the Commissioner deems to be a political subdivision and that such political subdivision is administratively feasible to include for participation in the Interim Assistance Reimbursement (IAR) Program. In California, these political subdivisions are County IA agencies.

- C.** The term "interim assistance" (IA) means assistance furnished to an individual or on behalf of an individual, financed totally from the State of California's and/or local funds, for meeting basic needs and furnished (1) during the period beginning with the month following the month in which the individual filed an application for benefits, for which he/she was found eligible to receive benefits, and ending with (and including) the month the individual's benefits began, and (2) during the period beginning with the day the individual's benefits were reinstated after a period of suspense or termination, and ending with (and including) the month the individual's benefits were resumed.

- D.** The term “IA agency” means any county agency providing interim assistance, as defined in “C.” above, to an individual or on behalf of an individual, to meet basic needs during the months the individual’s application for benefits pursuant to the SSI/SSP program, Title XIV of the Social Security Act, is pending or during the period the individual’s SSI benefits have been either suspended or terminated.
- E.** The term “Act” means the Social Security Act.
- F.** The terms “benefits”, “SSI benefits”, and “SSI/SSP benefits” mean Supplemental Security Income (SSI) benefits under Title XVI of the Act and any State Supplementary Payment (SSP) benefits under Section 1616 thereof, or mandatory minimum supplementary payments under section 212 of Public Law 93-66, which the Commissioner makes on behalf of the IA agency.
- G.** The terms “initial payment” and “initial posteligibility payment” mean the first payment with respect to the IA period discussed in C. above, but does not include any emergency advance payments authorized under section 1631(a)(4)(A) of the Act, any presumptive disability/blindness payment authorized under section 1631(a)(4)(B), or any immediate payments authorized under section 1631(a)(1).
- H.** The phrase “amount equal to the amount of initial payment or initial posteligibility payment available to the IA agency as IA reimbursement” means that portion of the initial (or initial posteligibility) payment that the IA agency can claim as reimbursement. In certain situations, the Commissioner is required by the Act to control the release of an individual’s retroactive payment. In these situations, if SSA were to release the initial payment or initial posteligibility payment to the IA agency and the IA agency released a residual amount to the individual, the individual might be paid in a manner contrary to the Act. To prevent this, when SSA identifies such a situation, SSA will ask the IA agency to determine the amount it is entitled to be reimbursed, and SSA will then release that amount to the IA agency.
- I.** The term “Supplemental Security Income (SSI) Program” means the Federal assistance program authorized under title XVI of the Social Security Act.
- J.** The term “State Supplementary Payment (SSP) Program” means California’s assistance program which is authorized under Title XVI of the Social Security Act and Welfare and Institutions Code Sections 12000 through 12205 and 13910 through 13922.
- K.** The term “authorization” means the form used by the IA agency to obtain an SSI/SSP applicant’s written permission for the Commissioner to withhold the individual’s initial payment or initial posteligibility payment and to send such payment to the IA agency. This form must be approved by the State and the Commissioner and must, at a minimum, provide language which advises the individual that:

1. For initial SSI/SSP claims, the period for the life of the authorization is twelve (12) months if the individual does not apply for SSI/SSP within the 12 month period. The 12 month period begins with the date SSA receives the signed authorization (in the case of a manual IA agency) or the date that the IA agency notifies SSA by an automated system that it has received a signed authorization (in the case of an automated IA agency) and ends twelve months later. In addition, if the IA agency does not notify the Commissioner within thirty (30) calendar days of the date the individual signed the authorization, the authorization is not binding on the applicant or the IA agency.

However, if the individual applies for SSI/SSP before the end of the 12 month life of the authorization period or has already applied for SSI/SSP before the period for the life of the authorization begins, the period for the life of the authorization will be extended beyond the 12 month period, until such time as:

- The Commissioner makes the first payment of retroactive SSI/SSP benefits on the individual's claim; or
- The Commissioner makes a final determination on the claim and no timely request for review is filed; or
- The IA agency and the individual agree to terminate the authorization.

If one of the events listed above occurs before the expiration of the 12 month period, the authorization will cease to be in force as of the date of the occurrence of such an event.

2. For initial posteligibility cases, the period for the life of the authorization is twelve (12) months. The 12 month period begins with the date SSA receives the signed authorization (in the case of a manual IA agency) or the date that the IA agency notifies SSA by an automated system that it has received a signed authorization (in the case of an automated IA agency) and ends twelve months later. In addition, if the IA agency does not notify the Commissioner within thirty (30) calendar days of the date the individual signed the authorization, the authorization is not binding on the applicant or the IA agency. The life of the authorization will remain in effect for that 12 month period, or until the end of the maximum period permitted under regulations at Subpart N of 20 CFR 416 (Code of Federal Regulations) within which to request administrative or judicial review of the Commissioner's determination to suspend or terminate the individual's SSI/SSP benefits, whichever period of time is longer, unless the individual files a request within the time for such review, or one of the following events occurs earlier, in which case the authorization will cease to have effect as of the date of such event:

- The Commissioner makes the first posteligibility payment of retroactive SSI/SSP benefits following the suspension or termination of the individual's benefits; or
- The Commissioner makes a final determination on the claim and no timely request for review is filed; or
- The IA agency and the individual agree to terminate the authorization.

If one of the events listed above occurs before the expiration of the 12 month period, the authorization will cease to be in force as of the date of the occurrence of such event.

3. After deducting from the individual's initial payment or initial posteligibility payment received from the Commissioner an amount sufficient to reimburse the IA agency for IA paid the individual or after receiving from the Commissioner an amount sufficient to reimburse the IA agency for IA paid the individual, the IA agency shall promptly provide to the individual a written notice (copies attached hereto at Appendices B or C) explaining the amount of the initial payment or initial posteligibility payment it received from the Commissioner and the excess amount (if any) due the individual and shall pay the excess amount (if any) to such individual within **ten (10) working days** of the date of the receipt of said payment from the Commissioner.
 4. Such individual shall have the right to a State Hearing from the State respecting any matter for which the individual believes he or she has been aggrieved by action taken by the IA agency under section 1631(g) of the Act.
- L. The term "protective filing" means a written Statement by an individual indicating his/her intent to claim SSI/SSP benefits received at an SSA office or another Federal office designated by the Commissioner to receive applications on behalf of the Commissioner, or by a person so authorized. For purposes of this Agreement, the term "protective filing" is limited to and means the written authorization defined in Article II, Paragraph K.

ARTICLE III

FUNCTIONS TO BE PERFORMED BY THE COMMISSIONER

In accordance with the Memorandum of Understanding between SSA and the State (MOU#06-6002, effective August 10, 2006), the Commissioner shall:

- A. Send to the IA agency or the IA agency's designated financial institution (when feasible for both parties) the initial payment or initial posteligibility payment (or "an amount equal to the amount of initial payment or initial posteligibility payment

available to the IA agency as IA reimbursement" as defined in Article II), in situations where the Commissioner is required to control the release of the individual's retroactive payment) for any such individual for whom a signed copy of an authorization, as defined in Article II, Paragraph K., has been received by the Commissioner, or by a Federal office designated by the Commissioner to receive applications, prior to the date of payment.

- B.** Provide information to the State or the IA agency in order to assist the IA agency in complying with the terms of MOU# 06-6002.
- C.** Perform such other functions as may be required by the terms of MOU# 06-6002.

ARTICLE IV

FUNCTIONS TO BE PERFORMED BY THE STATE

The State shall:

- A.** Designate a staff member to have primary responsibility for the liaison and coordination of activities to carry out this Agreement.
- B.** Maintain responsibility for conducting any negotiations with SSA pursuant to this Agreement.
- C.** Provide the IA agency, in a timely manner, with access to all current IA regulations and to any subsequently amended regulations.
- D.** Provide the IA agency with those administrative and supervisory actions necessary to insure that the IA agency carries out the provisions of this Agreement.
- E.** Provide the individual with the opportunity for a State Hearing regarding the amount deducted from the retroactive payment or the payment of any excess within the 10 day period.
- F.** When requested by an automated IA agency, provide the IA agency with an extract of pending SSI/SSP records for each month, or,
- G.** For automated IA agencies, maintain an automated data processing method whereby the information required by Article V, Paragraph A. will be forwarded to the Commissioner within thirty (30) working days of an IA agency's match or the State's match on behalf of the IA agency of an individual's interim assistance record with the pending SSI/SSP record.

ARTICLE V

FUNCTIONS TO BE PERFORMED BY THE IA AGENCY

- A.** The IA agency shall obtain a written, signed, and dated authorization for the reimbursement of IA (see Appendix A and Article II, Paragraph K.), for each individual who has received or will receive IA, and whose initial payment or initial posteligibility payment or "amount equal to the amount of the initial payment [and/or initial posteligibility payment] available to the IA agency as IA reimbursement" is to be sent to the IA agency or the IA agency's designated financial institution pursuant to Article III, Paragraph A.
1. Manual IA agencies will furnish a hard copy of the authorization to the Commissioner.
 2. Automated IA agencies will notify the Commissioner of the receipt and date of receipt of the authorization via the IA agency's approved electronic data transfer process.
- B.** The IA agency may receive on the Commissioner's behalf, the authorization as intent by the individual to claim SSI/SSP benefits (a protective filing).
- C.** Manual IA agencies will forward the authorizations to the Commissioner within **thirty (30) calendar days** of obtaining the authorizations and shall retain copies of such authorizations in accordance with the provisions of Article IX.
- D.** Automated IA agencies will forward to the State via an automated data processing method acceptable both to the Commissioner and the State information: (1) that the IA agency has received such authorization and (2) the date that the IA agency and the claimant signed the authorization. (For automated IA agencies that receive an extract pursuant to Article IV, Paragraph F, transmit the IAR information within five (5) days of receiving the extract. These IA agencies shall retain copies of such authorizations in accordance with the provisions of Article IX.
- E.** For situations in which the Commissioner is not required by law to restrict the manner in which the residual amount of retroactive SSI/SSP payments may be paid to the individual, the IA agency shall:
1. Deduct from the initial payment or initial posteligibility payment received from the Commissioner, with respect to an individual, an amount sufficient as reimbursement for IA furnished on behalf of such individual in months during which the individual was found eligible for SSI/SSP, from the first month in which such individual was found eligible for SSI/SSP benefits, and ending with and including the month payment of such individual's SSI/SSP benefits

began and/or from the day of the month such individual's payment of SSI/SSP benefits were subsequently reinstated after a period of suspense or termination, and ending with and including the month such individual's SSI/SSP benefits were resumed.

2. Pay any residual amount of the initial payment or initial posteligibility payment received from the Commissioner to the individual within **ten (10) working days** from the date the IA agency receives the initial payment or initial posteligibility payment.
- F. For situations in which the Commissioner is required by law to restrict the manner in which the residual amount of retroactive SSI/SSP payments may be paid to the individual, the IA agency shall:
1. Inform the Commissioner, according to Article VI, Paragraph B, of the amount of reimbursement claimed for IA the IA agency furnished on behalf of such individual in months during which the individual was found eligible for SSI/SSP, from the first month in which such individual was found eligible for SSI/SSP benefits, and ending with and including the month payment of such individual's SSI/SSP benefits began, and/or from the day of the month such individual's payment of SSI/SSP benefits were subsequently reinstated after a period of suspense or termination, and ending with and including the month such individual's SSI/SSP benefits were resumed.
- G. Provide to the individual within **ten (10) working days** from the date the IA agency receives the initial payment or the initial posteligibility payment, a written notice (Appendixes B or C) explaining:
- a. The amount of the initial payment or initial posteligibility payment received from the Commissioner for IA;
 - b. The excess amount (if any) due the individual; and
 - c. The opportunity for a State Hearing with respect to any action taken by the IA agency pursuant to the implementation of this Agreement by which the individual believes he or she has been aggrieved.

If an individual dies after executing an authorization, but before receiving the written notice and payment of the excess amount required by E.1., above, the IA agency shall, within the prescribed time limit, provide such explanation and pay such balance to the Commissioner rather than to anyone else on behalf of the individual.

- H. The IA agency shall submit a report on Form SSA-L8125/SSA-8125 or other SSA approved accounting form to a designated SSA office for each initial payment and initial posteligibility payment received from the Commissioner **within thirty (30) calendar days** from the date the IA agency received such payment.

For situations in which the Commissioner is required by law to restrict the manner in which the residual amount of retroactive SSI/SSP payments may be paid to the individual, the IA agency shall complete and return the SSA accounting form to a designated SSA office within **10 working days** from the date the IA agency received the accounting form. If an IA agency does not forward the accounting form to SSA within **10 working days** of the date it was forwarded or transmitted to the IA agency, SSA will forward the IA agency a follow-up request for the completion and return of that form. If an IA agency fails to return the form to the designated SSA office within **15 working days** of the follow-up request, SSA will release the retroactive amount to the individual through its applicable processing procedures to protect the individual from hardship that may arise from the IA agency's failure to comply with SSA's IAR processing requirements. In these situations, the IA agency may choose to ask the individual for any IAR the IA agency may be due. However, the Commissioner will not be a party to or be responsible for participating in the IA agency's efforts to recover any IAR due the IA agency under these circumstances.

- I. The IA agency shall comply with such other rules as the Commissioner finds necessary to carry out the purposes of the SSI/SSP program and to achieve efficient and effective administration of IAR procedures.
- J. The IA agency shall perform such other functions as may be required by the terms of this Agreement.
- K. The IA agency shall designate a staff member to have primary responsibility for the liaison and coordination of activities to carry out this Agreement.
- L. The IA agency shall agree to hold harmless the State, its officers, agents, and employees from any direct losses incurred by the IA agency occurring or resulting from the State's failure to take appropriate action.
- M. The IA agency shall abide by the State regulations set forth in Chapter 46-300, Section 46-337, of the Eligibility and Assistance Standards of the State's Manual of Policies and Procedures, pursuant to the IAR Program. If said regulations are amended and the IA agency continues its participation in the IAR Program, after receipt of such amended regulations, such continuation shall be considered unqualified acceptance of the amended regulations and agreement to abide by such regulations.
- N. The IA agency shall agree to accept responsibility for receiving federal and state audit agencies directly related to provisions of this Agreement.
- O. The IA agency shall maintain responsibility for drafting and implementing procedures to operate the IAR Program at the IA agency level.

ARTICLE VI

ACCOUNTING REPORTS

- A.** For situations in which the Commissioner is not required by law to restrict the manner in which the residual amount of retroactive SSI/SSP payments may be paid to the individual:
1. The IA agency shall submit a report on Form SSA-L8125/SSA-8125 or other SSA approved accounting form for each initial payment and initial posteligibility payment received from the Commissioner **within thirty (30) calendar days** from the date the IA agency received such payment.
 2. The report shall account to the Commissioner (on an individual case basis) for the total IA paid, the total amount of the initial payment or initial posteligibility payment received by the IA agency (for such individual), the amount retained by the IA agency as reimbursement, the amount (if any) due the individual, and the date said amount (if any) was sent to the individual.
- B.** For situations in which the Commissioner is required by law to restrict the manner in which the residual amount of retroactive SSI/SSP payments may be paid to the individual:
1. The IA agency shall submit a claim on Form SSA-L8125/SSA-L8125-F6 or other SSA approved accounting form for each report of a pending initial payment and initial posteligibility payment received from the Commissioner **within ten (10) working days** from the date the IA agency receives such report.
 2. The report shall account to the Commissioner (on an individual case basis) for the total IA paid to the individual and the amount of reimbursement claimed by the IA agency for IA furnished on behalf of such individual in months for which the individual was found eligible to receive SSI/SSP or SSI/SSP benefits were subsequently reinstated after a period of suspense or termination.
- C.** The aggregate of all reports referred to in Paragraphs A. and B. above received by the Commissioner in each fiscal year shall constitute the IA agency's report for such fiscal year.
- D.** The IA agency shall submit a written report each month to the State (Appendix D) by the twentieth (20) day of the month accounting for the preceding month's assistance paid, the amount of retroactive payments received, and the apportionment thereof.

ARTICLE VII

RESOLUTION OF DISPUTES

- A.** If SSA and the IA agency are unable to agree on any item in dispute arising under this Agreement, the IA agency may request the Commissioner to make a determination. Within 90 days from the receipt of such request, the Commissioner, or his/her designee, shall make a determination in writing with a full explanation thereof, or provide written notification of the reason such determination cannot be made, what further information or action by the parties may be required, and within what time period a determination is expected to be made. This determination shall be final and conclusive. Pending the decision of the Commissioner, the IA agency and the Commissioner shall proceed diligently with performance of this Agreement.
- B.** Nothing in this Agreement shall be construed to waive the IA agency's right to seek judicial review by a court of competent jurisdiction of both findings of fact and conclusion of law contained in the Commissioner's decision or to enforce its rights under this Agreement by any available remedy. Nothing in this Agreement shall be construed as waiving the Commissioner's rights to assert lack of jurisdiction with respect to any suit brought under this Agreement or to enforce the Commissioner's rights under this Agreement by available remedies.

ARTICLE VIII

ADMINISTRATIVE COSTS

- A.** Neither the IA agency, the State, nor the Commissioner, in performing their functions and duties under this Agreement or under MOU#06-6002, shall pay to the other, any costs of administration incurred by the other.
- B.** The IA agency shall agree that there are no State-mandated local costs in this Agreement that require reimbursement under Sections 17500 et. seq. of the California Government Code since participation by the IA agency is voluntary.
- C.** The IA agency shall agree to reimburse the State for any and all costs incurred by the State as a result of Federal audit exceptions or claims made pertaining to the IA agency arising from the IAR Program. The responsibility set forth in this clause shall remain in effect even if the IAR Program is cancelled by State or Federal action.

ARTICLE IX

EXAMINATION AND RETENTION OF RECORDS

- A.** The IA agency agrees that the State, the Commissioner, and the Comptroller General of the United States (including their duly authorized representatives) have access to and the right to examine any pertinent books, documents, papers, and records of the IA agency for purposes of verifying transactions with respect to matters covered by this Agreement.
- B.** The IA agency shall retain each authorization it receives (or a copy thereof) for a total of three (3) years from the date said authorization is signed and for such longer period as is required for completion or resolution of the audits, litigation, or other actions involving such records of which the IA agency has actual notice and which are commenced before the end of the three (3) year period.
- C.** The IA agency shall retain a copy of each Form SSA-L8125, SSA-8125, SSA-8125-F6, or other SSA approved accounting form it completes for three (3) years from the end of the Federal fiscal year for which the form pertains and for such longer period as is required for completion or resolution of the audits, litigation, or other actions involving such records of which the IA agency has actual notice and which are commenced before the end of the three (3) year period.
- D.** The IA agency shall retain a copy of each written notice furnished to an individual as set forth in Article V, Paragraph G. for three (3) years from the end of the Federal fiscal year for which the notice pertains and for such longer period as is required for completion or resolution of the audits, litigation, or other actions involving such records of which the IA agency has actual notice and which are commenced before the end of the three (3) year period.

ARTICLE X

CONFIDENTIAL NATURE AND LIMITATION ON USE OF INFORMATION AND RECORDS

- A.** The purpose of this Article is to set forth the procedures for safeguarding the confidentiality of IAR data exchanged between the Commissioner, State, and the IA agency, and imposing limitations on the use of that data. IAR data includes the authorization form as defined in Article II, Paragraph J.; the data that the IA agency transmits or sends to the Commissioner pursuant to Article V, Paragraphs C. and D.; the notice provided to individuals pursuant to Article V, Paragraph G.; the Forms SSA-L8125, SSA-8125, SSA-8125-F6, or other SSA approved accounting form completed by the IA agency pursuant to Article VI, the extract of pending SSI/SSP records transmitted from the State to the IA agency,

as described in Article IV, Paragraph F, and any other information provided to the State or IA agency by the Commissioner pursuant to Article III, Paragraph B.

- B.** In accordance with MOU# 06-6002, the Commissioner will adopt policies and procedures to ensure that it will use the IAR data obtained from the IA agency under this Agreement only for purposes of carrying out this Agreement and will disclose such data only as permitted by Federal law (e.g., 42 U.S.C. subsection 1306(a), 5 U.S.C. subsections 552 and 552a, and implementing regulations 20 CFR Part 401).
- C.** The IA agency will adopt policies and procedures to ensure that it will use the IAR data obtained from either the State or the Commissioner under this Agreement only for purposes of carrying out this Agreement and will disclose such data for other purposes only with the prior approval of the State and the Commissioner.
- D.** The State will adopt policies and procedures to ensure that it will use the IAR data obtained from the IA agency under this Agreement only for purposes of carrying out this Agreement and will disclose such data for other purposes only with the prior approval of the IA agency.
- E.** The following minimum safeguards will be afforded by the Commissioner (in accordance with MOU# 06-6002), the State, and the IA agency to IAR data exchanged under this Agreement:

 - 1. Access to the data will be restricted to only those authorized employees and officials who need it to perform their official duties in connection with the intended use of the data;
 - 2. The data will be stored in an area that is physically safe from access by unauthorized persons during duty hours as well as nonduty hours or when not in use;
 - 3. The data will be processed under the immediate supervision and control of authorized personnel in a manner which will protect the confidentiality of the data, and in such a way that unauthorized persons cannot retrieve the data by means of computer, remote terminal or other means; and
 - 4. All personnel who will have access to the data will be advised of the confidential nature of the information, the safeguards required to protect the information and the sanctions for noncompliance with those safeguards contained in the applicable Federal and State statutes.
- F.** The State and the Commissioner reserves the right to make onsite inspections or to make other provisions to ensure that adequate safeguards are being maintained.

ARTICLE XI

TERMS OF AGREEMENT

This Agreement shall begin on July 1, 2008 and will be automatically renewed for successive periods of five (5) years thereafter (commencing on July 1st of each such year), unless the IA agency or the State gives written notice not to renew at least thirty (30) days before the end of the then current period.

ARTICLE XII

TERMINATION AND MODIFICATION OF AGREEMENT

- A.** The IA agency or the State may terminate this Agreement at any time upon thirty (30) days written notice to the other party.
- B.** This Agreement may be modified in writing at any time by mutual consent of the parties hereto.
- C.** If this Agreement is terminated in any manner (including nonrenewal), the accounting requirements described in Article VI shall continue to apply for all initial payments and initial posteligibility payments received by the IA agency from the Commissioner prior to such termination.
- D.** If this Agreement is terminated by any party, the State and the IA agency agree that all cases for which the IA agency has obtained an authorization as required by Article V, Paragraph A., shall be processed in accordance with the provisions of this Agreement.
- E.** Neither this Agreement nor any subsequent amendments are in effect or enforceable until approved and signed by the County Board of Supervisors and the State.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

**BOARD OF SUPERVISORS
LOS ANGELES COUNTY**

By *Gloria Molina*
Chair of the Board of Supervisors

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By *Sachi A. Hamai*, Deputy



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By *Sachi A. Hamai*
Deputy

APPROVED AS TO FORM:
ANDREA SHERIDAN ORDIN
COUNTY COUNSEL

By *Dawyn R. Harrison*
Dawyn R. Harrison

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES:

By *Deborah Pearce* 6.28.2010
Deborah Pearce, Chief Date
Contracts Bureau

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#13 MAR 09 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

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APPENDICES

Appendix A - State IAR Authorization Form (Form SSP 14, Authorization for Reimbursement of Interim Assistance)

Appendix B – State Hearing form for non-payment pending IAR cases (Form SSP 17, Notice of Action and Right to Request a State Hearing on Interim Assistance)

Appendix C – State Hearing form for payment-pending IAR cases (Form SSP 18, Notice of Action and Right to Request a State Hearing on Interim Assistance for Payment Pending Cases)

Appendix D – IAR Statistical Report for County Welfare Agencies (Form GR 237, General Relief and Interim Assistance to Applicants for SSI/SSP Monthly Caseload and Expenditure Report)